

Family-Friendly Housing Policy: Minimum Unit-Mix and Dwelling Unit Size Requirements

Recommendations:

That Council adopt Family-Friendly Housing Policy No. 6.37; and

That in-stream multi-unit development applications, that have received either comments from the Advisory Design Panel or first reading of the bylaw from Council on or before December 31, 2025, be exempt from the requirements of the Policy.

Report Purpose and Summary Statement:	This report recommends the adoption of a Family-Friendly Housing Policy to support the provision of new housing for families in Maple Ridge. Proposed Policy 6.37 will guide the types of new multi-unit housing produced to meet the unit- mix targets set out in the Province's Housing Target Order for the City, and better align new housing supply coming online with affordability and the projected demand for larger, family- sized housing highlighted in the City's 2024 Housing Needs Report.
Previous Council Action:	The proposed Family-Friendly Housing Policy (Policy 6.37) is an immediate term deliverable indicated in the 2024 Housing Action Plan that was supported by Council at its <u>Workshop</u> <u>meeting on November 12, 2024</u> .
Strategic Alignment:	Liveable Community
Applicable Legislation/ Bylaw/Policy:	<u>Proactive Planning</u> : Bill 44 Housing Statutes (Residential Development) Amendment Act



To: Mayor and Council

File number: 13-6440-20

Family-Friendly Housing Policy: Minimum Unit-Mix and Dwelling Unit Size Requirements

BACKGROUND:

Families are experiencing pressure from increasing housing cost across the ownership and rental markets. Based on the affordability analysis in the Maple Ridge <u>Housing Needs Report</u> completed in 2024 (the Report), most owner households with children can only afford the cost of a condominium unit without being in core housing need.¹ Renter households of couples with children cannot afford a three-bedroom apartment without spending more than 30% of their income on housing. The lack of availability of larger-sized apartment units to own or rent further compounds the problem and escalates housing costs for these households. The Report highlighted, among other things, the urgent need to address affordable housing options for families to ensure that families can relocate to and continue to stay in Maple Ridge.

The City does not currently have a family-friendly housing policy or regulations to require that new developments provide a mix of 2 and 3 bedroom units. As the pressures to deliver more housing units amid a challenging economic climate intensify, there are indications of a trend towards smaller unit types and unit sizes to maximize development profitability. Given these considerations, the Housing Action Plan, which was supported by Council on at its <u>Workshop meeting on November 12, 2024</u>, indicated the need to safeguard adequate housing for families through two initiatives:

- (a) To study the feasibility of requiring new housing developments to provide a minimum number of 2-bedroom and larger-sized units; and
- (b) To consider encouraging the development of larger-sized units by providing developers with a density bonus by exempting the floor area of the third bedroom (or a portion thereof) in such units from being counted.

This report addresses initiative (a). Initiative (b) is on-going and will be the subject of a separate require for Council's consideration in Q3 of 2025, following the completion of a market feasibility study and other background research.

PROPOSAL:

The draft Family-Friendly Housing Policy (Policy 6.37) (Attachment A) sets out the expectations for minimum unit-mix percentages and the minimum dwelling unit size that would apply in new multiunit, apartment residential and mixed-use residential developments with over 10 dwelling units, as follows:

¹ Core housing need refers to an expenditure of over 30% of household income on shelter costs. Extreme core housing need refers to an expenditure of over 50% of household income on shelter costs.

Minimum Percentages of Unit-Mix

All new development applications for multi-unit, apartment residential developments and mixed-use residential developments proposing more than 10 residential units are to include:

- a minimum of 40% of the total residential units containing two-bedroom units or larger, and
- a minimum of 10% of total residential units containing three-bedroom units or larger.

Minimum Sizes of Dwelling Units

All dwelling units in new multi-unit apartment developments shall comply with a minimum dwelling unit size of 33 m² (350 sq.ft.) in area. Staff recommend that all unit types and number of bedrooms (i.e., studio, 1, 2, and 3-bedroom units) be designed to follow <u>BC Housing's General Design Guidelines</u> and <u>Construction Standards</u> on minimum areas and dimensions.

ANALYSIS:

Better Alignment Between Housing Needs, Supply and Affordability:

Table 1 summarizes the 2024 Housing Needs Report and the Province's Housing Target Order breakdown of unit-mix requirements required of Maple Ridge that is to be met over the next 5 years.

Maple Ridge	Total	Studio/1BR	2BR	3BR+
2024 Housing Needs Report (2023-2028)	4,511 units (100%)	2,311 units (51%)	812 units (18%)	1,388 units (31%) * (includes apt units + ground-oriented dwellings)
Housing Target Order (2024-2029)	3,954 units (100%)	2,121 units (54%)	747 units (19%)	1,086 units (27%) * (includes apt units + ground-oriented dwellings)

Table 1. Housing Needs: Unit-Mix Required in Maple Ridge

Table 2 summarizes the supply and unit-mix that the City has approved through development permits, those associated with applications that are currently being processed, and preliminary proposals that have been received over the last 2 years in Pre-Application Meetings. Each category further shows the breakdown of unit-mix percentages in 2 ways, the unit-mix breakdown percentages for: 1) apartment developments only, and 2) apartments as well as ground-oriented developments (i.e., townhouses). The latter is in accordance with how the 3-bedroom and larger-sized units are tracked in the Housing Needs Report and the Housing Target Order in Table 1 above.

When comparing the potential supply based on the City's development data on unit-mix, with the Housing Needs Report and the Housing Target Order requirements, the following observations can be made:

- The studio/1-bedroom units approved/proposed range between 59-63% of total apartment units, higher than the requirements in the Housing Needs Report (51%) and the Housing Target Order (54%).
- The 2-bedroom units approved/proposed ranges between 31-38% of total apartment units, which almost doubles the number of 2-bedroom units required in the Housing Needs Report (18%) and the Housing Target Order (19%).
- The 3-bedroom units approved/proposed ranges between 21-26% of total units, and are slightly below the requirements for 3-bedroom units in the Housing Needs Report (31%) and Housing Target Order (27%). These percentages include apartments as well as ground-oriented multi-unit developments (e.g., townhouses).
- The 3-bedroom units approved/proposed in apartments account for only 3-8% of total apartment units.

Application Status	Total (units)	Studio/1BR	2-BR	3BR+
Approved Development Permits	781	59%	38%	3% (Apt units)
(2020-2024) N=13 + 5	1,034	45%	29%	26% (Apt + ground- oriented)
In-stream DP applications (2020-2024)	2882	63%	31%	6% (Apt units)
N=53 (27 +26)	3,711	48%	26%	25% (Apt + ground- oriented)
Pre-Application Meetings (2023-2024) N=29 + 9	917	61%	31%	8% (Apt units)
	1,073	52%	27%	21% (Apt + ground- oriented)

Table 2. Approved/Potential Housing Supply: Development Data for Multi-Unit Developments

The City's development data illustrates the trend towards smaller unit-mix types of studios, 1 and 2bedroom units in apartment buildings, beyond what is stipulated in the Housing Needs Report and the Province's Housing Target Order. The City's 3+ bedroom supply aligns with the volume stipulated in the HTO and the HNR², but are currently supplied primarily by townhouses and other groundoriented dwelling forms.

The Affordability Gap vs. Supply:

The affordability gap analysis in the City's Housing Needs Report indicates that as of 2024, couples with children earning a median household income would have monthly affordability gaps of between \$800.00 to \$3,200.00 respectively for townhouses (price assumed as \$750,500.00) and single detached dwellings (price assumed as \$1,245,000.00) (Table 3: p37, Housing Needs Report). Assuming the median household income, they would only be able to afford owning 3-bedroom apartment units without being in core housing need.

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² The HNR and HTO includes other additional ground-oriented forms such as single detached dwelling units, duplexes, etc. The sampling in Table 2 only takes into account multi-unit developments over 10 units.

However, the supply of 3+ bedroom units in apartment developments in Maple Ridge is very limited. They constitute only 3% of total apartment units in approved development permits, and an estimated 6-8% in potential stock proposed in development applications currently being processed by the City (see Table 2). Families would therefore continue to be in core housing need spending over 30% of their incomes on shelter for ground-oriented options (like townhouses) or be potentially required to purchase 2-bedroom apartment units that are more readily available as their alternative, or be pushed into the rental market to meet their family's functional space needs.

While apartment developments have been encouraged to provide more 3-bedroom units in recent years, the City has found this difficult to see movement towards the larger units. Feedback obtained from an early discussion with members of the Urban Development Institute (UDI) suggests that 3-bedroom apartment units are hard to sell in Maple Ridge as purchasers are generally more willing to pay for townhouses for the additional bedroom. Even though this would entail higher monthly mortgages, the difference in price-points between a 3-bedroom apartment and townhouse was not substantial enough for the majority of potential purchasers to want to pay for a 3-bedroom apartment unit over the townhouse. As such, apartment unit-mixes, if left to the market to deliver, tend to cater towards smaller units of studios, 1-bedroom and 2-bedroom units which are more financially marketable and profitable from the developer's perspective. This results in a gap in the larger family-sized units in being supplied through apartment developments.

Municipal Scan:

Over the last decade, several municipalities in Metro Vancouver have adopted family-friendly housing policies and intervened by regulating varying minimum unit-mix percentages of total units in multiunit apartment developments with three or more bedrooms in strata projects or rental projects or both. This includes the Cities of Coquitlam, North Vancouver, Port Moody, Vancouver, and White Rock (Attachment B). For these cities, the norm is a minimum 10% requirement of 3-bedroom units or larger, with the City of New Westminster having a higher minimum requirement of 15% for strata units and 10% for rental units, while the City of Port Coquitlam has a lower minimum requirement of 5%.

The Cities of Vancouver, New Westminster and Port Moody also impose a minimum 35-40% requirement of total units to be set aside as 2-bedroom units and larger. This curbs the excessive oversupply of studios and 1-bedroom units. Some examples of the proposed unit-mix in apartment developments that are in the processing stream include those shown in Table 3. Studio/1-bedroom units constitute over 80% of total units proposed in apartment developments.

Sample Applications in Process	Total	Studio	1BR	2BR	3BR+
Example 1 (Town	195 units	20 units	141 units	34 units	0 units
Centre)	100%	839	6	17%	0%
Example 2 (Town	56 units	5 units	40 units	9 units	2 units
Centre)	100%	80%	6	16%	4%
Example 3 (Hammond)	68 units	7 units	52 units	9 units	0 units
	100%	879	6	13%	0%

Table 3. Examples of Proposed Unit-Mix in In-stream Apartment Development Applications

As can be seen in the current trends, if left unchecked and to developers to decide, this trend will likely continue and lead to an oversupply of studio and 1-bedroom units. The City would then be unable to meet the unit-mix requirements in the Housing Needs Report and under the Province's Housing Target Order, which emphasize the urgency of more affordable housing supply for families, and the provision of a diversity of choices available across grounded and non-grounded oriented housing forms.

Providing Families with Housing Options in Key Growth Areas:

To maintain a vibrant community and build employment opportunities, Maple Ridge needs to be able to continue to retain and attract working households. The anticipated key growth nodes around the Lougheed Transit Corridor and the Town Centre offer opportunities to diversify the City's housing options for families and make better use of existing infrastructure with a transit-oriented focus. This can include gentle density housing forms (e.g., infill and intensification, small scale multi-unit housing), as well as medium to high-rise residential and mixed-use developments. Increasing the number of family-sized units in upcoming residential and mixed-use developments in these areas would offer families a relatively more affordable opportunity to own apartments and enjoy apartment living close to services, retail, and transit in walkable neighbourhoods. This is especially important as these growth areas evolve as TransLink's new BRT line is introduced. The adaptable dwelling unit provisions in the 2024 BC Building Code that new apartment developments must now comply with, also encourage the possibility of multigenerational living in an aged society. Regulating to enable provision of more family-sized units complements the realization of compact integrated communities envisioned for these growth areas.

Maintaining Liveability Standards:

Maple Ridge does not currently have a minimum dwelling unit size requirement. Multi-unit developments are advised to follow <u>BC Housing's Design and Construction Standards</u>, providing at least 33 m² (350 sq.ft.) of floor area as the minimum dwelling unit size. BC Housing's dwelling unit floor areas for other unit-types and bedroom dimensions are shown in Attachment C. However the City has little leverage to encourage applications to meet these standards if they are not followed, since they are not part of a Policy.

With pressures to maximize profitability with the rapidly increasing cost of land, unit sizes have been trending smaller in new developments. Several municipalities in southwestern BC have enacted minimum dwelling unit size controls in zoning bylaws (Attachment B). For example:

- City of Coquitlam 29 m²
- City of Port Moody 33 m² (and to meet BC Housing standards on minimum areas and bedroom dimensions for other unit types)
- City of Victoria 33 m²
- City of Vancouver 37 m², exceptions permissible down to 29 m² (320 sq.ft.) subject to approval by the Director of Planning (e.g., SROs)³. However, social housing projects secured by the City are to follow BC Housing standards.

The City of New Westminster also regulates the size of 2BR and 3BR units as part of their familyfriendly bylaw. In that city, ownership units are required to be at least 70 m² in area (2-bedroom) and 84 m² (3-bedroom), and rental units have to be at least 65 m² in area (2-bedroom) and 80 m² (3bedroom). Urban design guidelines are also commonly included in the municipalities that have a family-friendly housing policy.

The impact of inadequate living space can have effects on mental health and wellbeing and constrain adaptable housing provisions from being met if left unchecked. Staff's recommendation of a minimum dwelling unit floor area requirement of 33 m² would safeguard a baseline liveability standard and prevent micro units from being produced. As currently proposed, unit sizes of other unit types would not be regulated at this stage but would be encouraged to follow BC Housing's guidelines and standards as per current practice, with some flexibility for deviations, if justifiable. The City would also monitor amenity space provisions and consider if urban design guidelines would be required to be included in this new policy in future as the mixes of unit types evolve.

Meeting Legislative Requirements:

As the Province shifts to a more <u>proactive approach to planning (Bill 44)</u>, local governments are required to periodically update their housing needs reports. Through housing needs reports, the Province requires municipalities to include statements of housing needs for 7 segments of the populace including family housing (others are: affordable housing, rental housing, special needs housing, seniors housing, the unhoused, and housing near transportation infrastructure). These housing needs are expected to be addressed through relevant housing policies and regulations and incorporated into a municipality's updated Official Community Plan (OCP) and zoning bylaws. Adopting the Family-Friendly Housing Policy would enable the City to fulfil this legislative requirement, incorporating the Policy as part of the OCP housing policy update which is to be completed by December 31, 2025.

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³ Single Room Occupancy (SRO) units. These units in historical developments often share common kitchen and bathroom facilities in common spaces outside the individual dwelling unit.

Other Considerations:

Exemptions

- 1. To prevent barriers to small-scale infill development and intensification, projects proposing fewer than 10 dwelling units are exempted from the minimum unit-mix requirements of this proposed policy. Notwithstanding this exemption, all dwelling units proposed will still be required to comply with the minimum dwelling unit size of 33 m².
- 2. Due to their inherent compliance with minimum unit size and bedroom composition requirements, ground-oriented infill and townhouse development projects are exempted from the requirements of this proposed policy.
- 3. Existing apartment residential and mixed-use residential buildings, constructed prior to the effective date of this proposed policy are not required to retroactively comply. However, if dwelling units are proposed to be added to existing multi-unit buildings, these conditions shall apply:
 - Only the new dwelling units are required to comply with the requirements of the policy; and
 - When fewer than 10 additional dwelling units are proposed, these would be exempt from the minimum unit-mix percentage requirement, until more than 10 units are proposed in cumulative applications. All additional dwelling units proposed shall comply with the minimum dwelling unit size of 33 m².
- 4. Affordable (below market and non-market) purpose-built housing, supportive and/or transitional housing projects that are government or non-profit owned and/or operated are exempted from the minimum percentage unit-mix requirements by the policy. All dwelling units proposed shall comply with the minimum dwelling unit size of 33 m².
- The portion of secured affordable (below market and non-market) housing units in a development is exempted from the minimum percentage unit-mix requirements of the policy. All dwelling units proposed shall comply with the minimum dwelling unit size of 33 m².
- 6. Purpose-built 'special needs' housing tailored to cater to equity deserving groups (e.g., seniors housing) are exempted from the minimum percentage unit-mix requirements of the policy. All dwelling units proposed shall comply with the minimum dwelling unit size of 33 m².

Implications on In-stream Applications and Accommodations

It is recommended that in-stream development applications which have been considered by the Advisory Design Panel or have been granted first reading of a zoning amendment by Council on or before December 31, 2025, be exempt from the requirements of this policy. While this would exempt in-stream development applications well-advanced in the approvals process, some development applications (Table 3) would have to be encouraged to revisit their proposed development to be aligned with the new policy should it be adopted by Council with the in-stream provisions as currently proposed.

NEXT STEPS:

If Council adopts the Family-Friendly Housing Policy (Policy 6.37) in Attachment A, the Policy would take effect from Council's approval date.

Further Study and Monitoring

If adopted, staff will continue to monitor and engage with interest holders on the implementation of the Policy. The feasibility of incentives to better support and encourage the provision of larger-sized family units in apartment and mixed-use developments are currently being studied and will be brought back to Council for consideration in Q3 2025. This could include the possibility of a density bonus for the provision of larger unit sizes, such as floor space exemptions (e.g., discounting the third bedroom or part thereof from floor area calculations) as noted in the Housing Strategy report that was presented to Council in 2024 (pg. 32, <u>Housing Strategy</u>).

CONCLUSION:

This report recommends that the proposed Family-Friendly Housing Policy requiring a housing unit mix in apartment residential and mixed-use developments with more than 10 units as well as minimum unit sizes, as set out in Attachment A, be approved.

With the anticipated projected growth in Maple Ridge, families will comprise a significant proportion of households. There is a need to better influence the housing supply that is currently being produced with affordability concerns and the needs of families with children and older adults in an aged society. Adopting the Family-Friendly Housing Policy will support a supply of family-sized housing units in apartment-living for the community and provide families with an alternative housing option besides ground-oriented forms. It will also support the City's family housing needs set out in the Housing Needs Report and the Provincial Housing Target Order.

"Louisa-May Khoo"

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Attachments:

- (A) Policy 6.37: Family-Friendly Housing Policy
- (B) Municipal Scan: Parameters for Family-Friendly Housing Policy in Metro Vancouver
- (C) B.C. Housing Design and Construction Standards: Dwelling Unit Design (extracted)

Report Approval Details

Document Title:	Family Friendly Housing Policy.docx
Attachments:	 Attachment A - Policy 6.37 Family-Friendly Housing Policy.docx Attachment B - Parameters for Family-Friendly Housing Policy in Metro Vancouver.docx Attachment C - B.C. Housing Design and Construction Standards.docx
Final Approval Date:	Apr 7, 2025

This report and all of its attachments were approved and signed as outlined below:

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